#### **CALIFORNIA ENERGY COMMISSION**

1516 Ninth Street Sacramento, California 95814 Main website: www.energy.ca.gov



In the matter of,
The Preparation of the 2005 Integrated
Energy Policy Report (2005 Energy Report)

WORKSHOP AGENDA

RE: Combined Heat and Power/
Distributed Generation Market and

# **Workshop Agenda**

Policy Workshop

The California Energy Commission's Integrated Energy Policy Report Committee will conduct a workshop to review and discuss California's market potential for Combined Heat and Power (CHP) and Distributed Generation (DG). Commissioner John L. Geesman is the Presiding Member, and Commissioner James D. Boyd is the Associate Member.

THURSDAY, APRIL 28, 2005

9:00 a.m.
CALIFORNIA ENERGY COMMISSION
1516 Ninth Street
First Floor, Hearing Room A
Sacramento, California
(Wheelchair Accessible)

Audio from this meeting will be broadcast over the Internet.

For details, please go to:

www.energy.ca.gov/webcast/

#### **Problem Statement**

Energy Commission identified in 1999 there were over 12GW of additional technical potential for combined heating, cooling and power (CCHP) and cogeneration in California. Today, only 9GW are installed. Regulatory uncertainty, natural gas prices, utility tariffs, emissions standards and other drivers continue to delay implementation of CCHP and cogeneration in California resulting in wasting of valuable resources through inefficiency.

## **Policy Objective**

The Energy Commission's 2003 IEPR and 2001 DG Strategic Plan, the Energy Action Plan and countless pieces of legislation all recognize the benefits that DG in CCHP applications can provide California. These benefits include more efficient use of fuel resources, greater choices for end users to control energy costs resulting in an improved business climate, reduced environmental impacts from energy production, support to utility T&D systems, improved reliability and power quality, and others. To this end, the principal energy agencies adopted a specific goal in the EAP to:

Promote customer and utility-owned distributed generation

## **Workshop Objectives:**

- 1. Understand current market and policy situation
- 2. Understand end user experiences
- 3. Understand utility perspective
- 4. Understand international experiences
- 5. Review and discuss policy options and their impact to CHP/DG uptake

### Agenda:

- Introduction and context
- End User Round Table about Experiences
  - Moderated by Nick Lenssen of Primen who will present market survey and customer comments from both national and CA
  - Round Table Discussion
    - Richard Brent, Solar
    - Valero Refining Company
    - Small Enduser (1-5MW system)
    - Ralph Renne, Exar
    - Michael Alcantar, CAC/EPUC
  - Public Q&A
- Utility Round Table on Benefits and Treatment of CCHP
  - Public Q&A

- International DG/CCHP Integration Experiences
  - Paul-Frederik Bach Danish Transmission System Operator (Eltra) presentation on operational impacts from large penetrations (>50% generation capacity) of CHP/DG
  - Public Q&A
- Lunch Break
- Overview of current landscape in CA for CCHP/DG
  - EEA presentation of base case analysis and where current policies will get us by 2020
  - Public Q&A
- CHP/DG Scenario Analysis
  - Presentation by EEA and E3 on policy options that could be implemented by CA and their impact on CHP/DG uptake between now and 2020
  - Public Q&A
- CHP Emissions Impacts
  - Presentation by UCI research on emissions impacts from implementation of CHP in South Coast Air Basin in 2010
  - Public Q&A
- · Next Steps and Closing